PENNSYLVANIA

**PUBLIC UTILITY COMMISSION**

**Harrisburg, PA 17105-3265**

Public Meeting held August 2, 2018

Commissioners Present:

 Gladys M. Brown, Chairman, Statement, dissenting

 Andrew G. Place, Vice Chairman, Statement, dissenting

 Norman J. Kennard

 David W. Sweet

 John F. Coleman, Jr.

Amended Petition of State Senator P-2018-3001453

Andrew E. Dinniman for Interim

Emergency Relief

Pennsylvania State Senator Andrew E. Dinniman C-2018-3001451

 v.

Sunoco Pipeline, L.P.

**OPINION AND ORDER**

**BY THE COMMISSION:**

Before the Pennsylvania Public Utility Commission (Commission) for consideration and disposition are compliance filings submitted by Sunoco Pipeline, L.P. (Sunoco) in response to our Opinion and Order entered June 15, 2018 (*June 15 Order*) in the above-captioned proceedings. The compliance filings are: (1) the June 22, 2018 Compliance Filing –Report (“June 22 Submittal”); (2) the July 3, 2018 Transmittal Letters and Affidavit (including two Exhibits) (“July 3 Submittal”); and (3) the July 18, 2018 Letter and Affidavit, “[t]o clarify and supplement the submission made on July 3, 2018. . . .”(“July 18 Supplement”). Responses to the filings were received from Senator Andrew E. Dinniman (Senator Dinniman or Complainant) and the Clean Air Council (CAC), intervenor in the proceedings. On review and consideration of Sunoco’s submittals, we conclude that Sunoco, consistent with the specific determinations in this Order, has satisfied the compliance requirements and directives set forth in the *June 15 Order*.

# Background

Senator Dinniman initiated this action against Sunoco on April 25, 2018, at Docket No. P-2018-3001453, by filing a Petition for Interim Emergency Relief, seeking, *inter alia*, to enjoin the operation of the Sunoco ME1 Pipeline and the construction of the ME2 and ME2X Pipelines in West Whiteland Township.

A brief summary of the ME1, ME2, and ME2X Pipeline project was set forth in the *June 15 Order*. As noted therein:

 The second phase of the Mariner East Project, known as ME2, is in the process of being completed. Unlike ME1, which used both existing and new pipelines, ME2 requires construction of a new 351-mile pipeline largely tracking or co-located with the ME1 pipeline route. ME2 construction will variously be parallel to and mostly within the existing right-of-way of the ME1 pipeline . . . *also* “. . . ME1 is an 8” pipeline used to transport natural gas liquids and that SPLP

[Sunoco] is currently constructing ME2 and ME2X, a 20”and 16” pipeline, which will be co-located in part with MEl, and that ME2 and ME2X will also transport natural gas liquids . . .

*June 15 Order* at 12-13.

The *Amended Petition for Interim Emergency Relief* (Petition) was filed concurrently with an *Amended Formal Complaint* (Complaint) against Sunoco at Docket No. C-2018-3001451 on May 1, 2018. The relief sought pursuant to the Complaint, therefore, included an Order: (1) directing Sunoco to conduct extensive geophysical and geotechnical tests along the actual and proposed routes of ME1, ME2 and ME2X in West Whiteland Township; (2) an Order directing Sunoco to conduct a public risk assessment regarding persons, property and environment located within West Whiteland Township; and (3) an Order directing Sunoco to disclose to Senator Dinniman and his constituents the risks associated with ME1, ME2 and ME2X, and activities associated with these pipelines. The matters were assigned to presiding Administrative Law Judge (ALJ) Elizabeth Barnes. The Petition and Complaint were consolidated.

Hearings on the Petition seeking interim emergency relief were conducted in these consolidated proceedings by ALJ Barnes on May 7 and 10, 2018. Pursuant to the hearings, ALJ Barnes issued an *Interim Emergency Order and Certification of Material Question (Interim Emergency Order*) dated May 24, 2018. This order, *inter alia*,granted Senator Dinniman’s request for interim emergency relief pending disposition of the merits of the Complaint. Pursuant to the Commission’s Rules of Practice and Procedure, the order granting interim emergency relief was certified to the Commission as a material question. *See* 52 Pa. Code § 3.10(b).

The following question presented by the *Interim Emergency Order* was considered by the Commission in deciding the *June 15 Order*:

Whether the evidentiary record supports the provisions of the *Interim Emergency Order* which (a) enjoins Sunoco from all current operation on Mariner East 1 [ME1]; and (b) enjoins construction, including drilling activities on the Mariner East 2 [ME2] and Mariner East 2X [ME2X] pipelines, all in West Whiteland Township, Pennsylvania, until the entry of a final Commission Order in the formal complaint proceeding at Docket No. C-2018-3001451?

*June 15 Order* at 2.

On consideration of the foregoing question, the *June 15 Order* reversed the *Interim Emergency Order* issued May 24, 2018, in part*,* by lifting the stay of operations regarding the transportation of petroleum products and natural gas liquids (NGLs) and related activity on the Sunoco Mariner East 1 (ME1) Pipeline. The *June 15 Order* affirmed, in part, the *Interim Emergency Order* by enjoining the continued construction of ME2 and ME2X Pipeline projects in West Whiteland Township, Chester County, Pennsylvania, subject to Sunoco’s compliance with the express conditions as directed in Paragraphs 6 and 7 the Order.

The *June 15 Order* expressly held that “[t]his Opinion and Order only addresses whether interim emergency relief in the form of an injunction shutting down the operation of ME1, ME2, and ME2X should be granted. The ongoing Complaint proceeding will provide further evidence and expert testimony which will aid our review of important public safety concerns in the context of a project of the magnitude and complexity of the Mariner East gas pipeline project.” *See June 15 Order* at 4.

Given the interim nature of the relief granted, we provided Sunoco two directives for removing the injunctive relief affirmed by this Commission in the *Interim Emergency Order*, pending consideration and disposition of the merits of the Complaint. Ordering Paragraph No. 6 of the *June 15 Order* stated the following:

6. That the injunction against construction of Mariner East 2 and Mariner East 2X shall remain in effect until further notice by the Commission, subject to compliance with the express conditions as further ordered below:

a. That, within twenty (20) days of the entry date of this Opinion and Order, in order to seek resumption of construction of Mariner East 2 and Mariner East 2X, Sunoco Pipeline L.P. shall file the following information with the Commission:

(1) Inspection and testing protocols, including but not limited to:

(a) Preventative inspection and maintenance;

(b) Leak detection and repairs; and

(c) Frequency of inspection and testing.

(2) Comprehensive emergency response plan, including but not limited to:

(a) Communications and coordination necessary to report and respond to a release or ignition of highly volatile liquids from pipelines or appurtenances;

(b) Public educational materials and notification protocols intended to instruct how affected parties along the right-of-way should respond and how Sunoco Pipeline will notify the public in the event of a pipeline-related incident; and

(c) Specific procedures pertaining to coordination with state and local officials, local fire, police, the Pennsylvania Emergency Management Agency, the Pipeline Hazardous Materials Safety Administration, this Commission, and other utilities located in West Whiteland Township in responding to an incident.

(3) Current safety training curriculum for employees and contractors, including but not limited to:

(a) Proper pipeline construction, operation and maintenance; and

(b) Identification of leaks and procedures for alerting emergency personnel.

*June 15 Order* at 51-53.

The second directive, set forth in Ordering Paragraph No. 7, addressed the requisite authorizations we sought from Sunoco pertaining to permission from the Pennsylvania Department of Environmental Protection (DEP or Department) to resume construction of ME2 and ME2X.

In the *June 15 Order*, we expressly considered the findings of ALJ Barnes, that “. . . drilling and construction is currently halted on the ME 2 and 2x lines in West Whiteland Township because the Company is seeking permission to change its DEP Permits and as of the date of this Order, has not yet received permission from the Department of Environmental Protection. N.T. 472 – 477.” *See June 15 Order* at 24; *Interim Emergency Order* at 9.

Based on the foregoing, Ordering Paragraph No. 7 issued a directive to Sunoco pertaining to the submission of an affidavit(s) concerning appropriate authorization(s) from the DEP concerning the grant of authority to resume and/or commence construction of ME2 and ME2X in West Whiteland Township:

7. That the Sunoco Pipeline L.P. shall file a verification or affidavit that the Department of Environmental Protection has issued the appropriate permission for continued construction of Mariner East 2 and Mariner East 2X in West Whiteland Township when it is granted.

*June 15 Order* at 53.

The June 22 and July 3 Submittals, including the July 18 Supplement, have been filed by Sunoco in response to the compliance prerequisites for Sunoco to commence or resume construction activities related to the Sunoco Mariner East 2 (ME2) and Mariner East 2X (ME2X) Pipeline projects in West Whiteland Township, Chester County, as set forth in Ordering Paragraph Nos. 6 and 7, respectively, in our *June 15 Order*, which activities had been enjoined.

Pursuant to Ordering Paragraph No. 6, above, Sunoco’s June 22 Submittal to the Commission was comprised of a letter and attachments, consisting of ninety-nine separate exhibits containing confidential security information. The said letter provided Sunoco’s explanation of how the attached exhibits satisfy the requirements of Ordering Paragraph No. 6.

 On July 2, 2018, Senator Dinniman and the CAC submitted separate responses to Sunoco’s June 22 Submittal (“July 2 Response Letter of Senator Dinniman” and “July 2 Response Letter of CAC”). Senator Dinniman and CAC assert, *inter alia*, that the documentation submitted by Sunoco pursuant to Ordering Paragraph No. 6 is inadequate. And, to the extent the documentation is responsive to the matters identified in the *June 15 Order*, Senator Dinniman and CAC aver there is no evidence that Sunoco, in fact, implemented the policies outlined in the documents or tailored its policies to the specific project and conditions involving the Mariner East Pipeline project in West Whiteland Township. July 2 Response Letter of Senator Dinniman at 2, 6-14; July 2 Response Letter of CAC at 3-7.

Senator Dinniman’s response includes additional assertions regarding: (1) the adequacy of Sunoco’s proposed permit modifications at certain locations; (2) the need for approval by the Delaware River Basin Commission (DRBC) for certain activities involving the Mariner East Pipeline project; and (3) the need for a National Pollutant Discharge Elimination System (NPDES) permit from the United States Environmental Protection Agency (EPA).[[1]](#footnote-2)

Sunoco’s July 3 Submittal included a Letter[[2]](#footnote-3) and Affidavit of Matthew Gordon pursuant to Ordering Paragraph No. 7 of the *June 15 Order*. Mr. Gordon is the project manager for the Mariner East Pipeline project and is responsible for all aspects of the project, including design, routing, acquisition, and construction. *See* May 10, 2018, N.T. at 388. Mr. Gordon also held responsibility for safety training and instruction of Sunoco employees and contractors. *Id*. at 387.

Mr. Gordon sponsored two Exhibits with his Affidavit in the July 3 Submittal. Exhibit 1 consists of sheets from the permit application submitted to and approved by DEP for “that portion of the Mariner East 2 and 2X pipeline project being constructed in West Whiteland Township.” *See* July 3 Submittal, Exhibit 1. Exhibit 2 identifies four locations within West Whiteland Township for which Sunoco has not received the appropriate permission from DEP to commence or recommence construction. Exhibit 2 summarizes the steps to be taken to obtain appropriate permission from DEP at these four locations. *See* July 3 Submittal, Exhibit 2.

We note that Sunoco’s July 3 Submittal lodges objections to the Responses of Senator Dinniman and CAC to Sunoco’s June 22 Filing.

In the July 3 Submittal Sunoco primarily objects that Senator Dinniman’s Response, which included statements regarding: (1) the adequacy of Sunoco’s proposed permit modifications at certain locations; (2) the need for Sunoco to obtain certain approvals from the DRBC for construction of ME2 and ME2X; and (3) the need for Sunoco to obtain a NPDES permit from the EPA, exceed the scope of matters intended by the Commission. *See* July 3 Submittal at 2.

In support of its objections to Senator Dinniman’s Response, Sunoco avers that Ordering Paragraph No. 8 of the *June 15 Order* limits a Party’s Response to the filings submitted by the Company as directed by Ordering Paragraph No. 6. Sunoco argues that Senator Dinniman, instead, submitted a response that raises issues that are addressed to the Sunoco Affidavit submitted under Paragraph No. 7 of the Order, which had not been filed.

Sunoco adds that, by including assertions regarding the need for approvals by the DRBC and a NPDES permit from the EPA, Senator Dinniman’s Response goes beyond the parameters the Commission established in Ordering Paragraph No. 7 of the *June 15 Order*. Sunoco, therefore, requests that the Commission disregard those portions of Senator Dinniman’s Response that exceed the scope of the Commission’s *June 15 Order*.

Sunoco further alleges that CAC and Senator Dinniman assert generalized, subjective grievances concerning the adequacy of the documents submitted in its compliance with Ordering Paragraph No. 6, and do not assert that the documents were not responsive to the issues identified by the Commission. Letter at 2.

**Discussion**

We advise the Parties that any issue or argument that we do not specifically address should be deemed to have been duly considered and rejected without further discussion. It is well settled that the Commission is not required to consider, expressly or at length, each contention or argument raised by the parties. *Consolidated Rail Corporation v. Pa. PUC*, 625 A.2d 741 (Pa. Cmwlth. 1993); *see also, generally*, *Univ. of Pa. v. Pa. PUC*, 485 A.2d 1217 (Pa. Cmwlth. 1984).

**A. Sunoco’s June 22 Submittal**

Sunoco’s June 22 Submittal addressed Ordering Paragraph No. 6 of our *June 15 Order*, and consists of 99 Exhibits, *i.e.* “Tabbed/Indexed”, 1-99, several of which are documents previously introduced into the record during the hearings on interim emergency relief held before ALJ Barnes. *See* May 10, 2018, N.T. at 407. The documents are identified, primarily, as Energy Transfer, “Standard Operating Procedure” (SOP) documents. The transmittal letter advises that “[a]t the hearing before ALJ Barnes, SPLP [Sunoco] presented testimony and introduced documents into evidence showing that, in fact, this information existed and much of it was not only publicly available, but had been provided to residents, public officials, and emergency responders through direct mailings, and was provided at trainings and public meetings.” June 22, 2018 Letter at 1.

 **1. Compliance with Paragraph 6(a)(l) (a)-(c)**

Sunoco advises that, in accordance with Pipeline and Hazardous Materials Safety Administration (PHMSA) regulations, it has adopted and implements a series of, *supra*, “Standard Operating Procedures” (SOP) that govern inspection, maintenance, leak detection, and repairs of the pipelines it operates. *See* June 22, 2018 Letter, at 2.

The frequency of inspections and testing performed by Sunoco is listed in Section 4 of each respective SOP.

SOP protocols related to pipeline operations are labeled with the prefix “HLI” – “Pipeline,” in the SOP manual. The SOP excerpts which were provided by Sunoco are referenced to Code of Federal Regulations (CFR), 49 CFR § 195. Also in the exhibits, the individual SOP procedures are identified, for example, as “Procedure No. HLI.01, through HLI. 40” (not fully sequential).[[3]](#footnote-4) The HLI, SOPs list effective dates of, either, 04/01/18 (Tab ##1-9; 12-13, 15-17, 19); 05/01/17 (Tab ## 10, 14); or 03/01/14 (Tab #11, 18).

Protocols labeled with the prefix “HLD” referenced to “Corrosion” (Tab #20-# 48), “Evaluation of Remaining Strength of Pipeline Metal Loss,” are referenced to 49 CFR § 195 and identified as “Procedure No. HLD.01 through HLD.47 (non sequential).[[4]](#footnote-5) All HLD SOPs list an effective date of 04/01/18.

“HLM” is the prefix for a set of SOPs that are addressed to “Valves,” and describe “the activities associated with Mainline valve inspection, maintenance and operation.” *See* Tab # 49-#52. Each HLM SOP lists an effective date of 04/01/18, with the exception of HLM.04, with an effective date of 11/1/2015 (Tab # 51).

Sunoco’sresponses most applicable to the *June 15 Order* Ordering Paragraph No. 6 will be highlighted and summarized.

SOP HLI.06, Pipeline, – “Evaluating Pipeline Defects,” describes the steps required to consistently characterize and evaluate defects in a pipeline. TAB #3. The SOP includes a technically detailed series of operations to be performed by Sunoco personnel and/or contractors to identify pipeline defects resulting from a number of factors, including, *inter alia*, corrosion, general metal loss, dents, etc. The frequency of the procedures are stated as, “As required: Upon discovery of pipeline defects.” *See* TAB #3, at 4.0 Frequency.

SOP HLI.05 – Pipeline, “Pipeline Repair,” establishes the requirements for repairing pipelines when the strength of the pipe has been reduced by corrosion, mechanical damage, weld defects, material defects, or other injurious defects per SOP HLI.06 –“Evaluating Pipeline Defects*.*” *See* TAB #2. This SOP was admitted as part of SPLP-Exhibit 33 at the hearing before ALJ Barnes.

SOP HLI.31 – Pipeline, “One-Call System Response,” describes the guidelines to prepare for, manage, and respond to One-Call, notifications. TAB # 17. Sunoco explains that in order to prevent damage to company facilities, it participates in the “One-Call Systems” and reacts proactively to One-Call System notifications for its pipelines according to state and federal requirements.[[5]](#footnote-6) The frequency is stated, “As required.” This SOP was admitted as part of SPLP-Exhibit 33 at the hearing before ALJ Barnes.

At TAB #61, Sunoco provides a document, “Control Center Incoming Call Procedure,” which, *inter alia*, identifies its policies and guidance for Pipeline Controllers (PCs). PCs are responsible for fielding and directing incoming calls in a timely and professional manner. TAB #61, p. 3 of 18. PCs are advised that they must respond quickly to all incoming calls and that failure to take appropriate actions in response to reported leaks or potential leaks could result in serious safety, environmental and/or legal consequences. *Id.* Section 3 of the document, “Control Center Incoming Call Procedure,” provides, in addition to other procedures, a flowchart that can be used to determine the proper routing and actions for incoming calls. Generally, the first step is to determine if the call pertains to a Sunoco, *et al*, pipeline. For calls pertaining to potential leak scenarios, or if the pipeline has been physically damaged, the document sets forth the steps to be taken which may include shutting down the affected line segment without pressure. TAB # 61, at 8; 10.[[6]](#footnote-7)

SOP HLI.40 – Pipeline, “Public Awareness Plan-Communications with API RP1162-defined Stakeholders,” establishes the guidelines for the communication with the following four audience groups – Affected Public, Emergency Officials, Public Officials and Excavators – under the Public Awareness Plan. *See* TAB #19. The “baseline” frequency for communicating and documenting such communications with these stakeholder groups ranges from annually, to every three years. This SOP was admitted as part of SPLP-Exhibit 33 at the hearing before ALJ Barnes.

 **2. Compliance with Paragraph 6(a)(2)(a)**

“HLA” is the prefix that refers to Administration SOPs and is referenced to 49 CFR § 193; 195.50 and 29 CFR § 1910.

Through its Public Awareness Program, Sunoco has sent out thousands of direct mailings to members of the public, excavators, local officials, and emergency responders in Chester County, including West Whiteland Township. *See* June 22 Letter at 12; TAB #71.[[7]](#footnote-8) Sunoco advises that direct mailings were sent to Senator Dinniman and other local public officials, including the West Whiteland Township Manager, First Selectman, Building Official, and Planning Director, West Whiteland Township Police Chief, the West Whiteland Fire Chief, and the West Whiteland Township Emergency Services Director. *Id*.

 **3. Compliance with Paragraph 6(a)(2)(c)**

In addition to the Public Outreach and emergency response training set forth in Sunoco’s response to Ordering Paragraph 6(a)(2)(b) above, pursuant to PHMSA regulations, Sunoco has adopted and implements specific SOPs that “address coordination with state and local officials, state and local emergency response agencies, PHMSA, the Commission, and other utilities in West Whiteland Township for responding to a pipeline incident . . .” *See* HLA – pertaining to “Field Emergency Response Procedures,” are SOPs that “reflect that SPLP [Sunoco] regularly coordinates with state and local officials, emergency response agencies, PHMSA, the Commission, and other utilities in West Whiteland Township to prepare for and respond to a pipeline incident.” Letter at 15.[[8]](#footnote-9)

 **4. Compliance with Paragraph 6(a)(3)(a)-(b)**

Sunoco states that its inspection and testing protocols SOPs, emergency response plans, public awareness plans, and safety training programs, are adopted and implemented in conformance with applicable PHMSA and Commission regulations and are consistent with industry standards. These processes are regularly reviewed and audited by PHMSA and the Commission. As recently as February 2018, Sunoco states, these protocols have been reviewed. *See* TAB # 72, Commission I&E information Request (February 16, 2018).

Sunoco advises that, within the past four years, it has been subjected to five audits of its pipeline and related facilities. June 22 Letter at 18. These audits included: (1) August 2015 Commission inspection/audit of newly constructed portions of Mariner East 1, which reviewed construction procedures, materials and welding, and also included a field inspection of the pipeline and related facilities; (2) November 2016 Commission inspection/audit of Sunoco’s emergency response and public awareness plans; (3) 2013 and 2014 PHMSA inspection/audit of the newly-constructed portions of Mainer East 1, which reviewed construction procedures, materials and welding, and also included a field inspection of the pipeline and related facilities; (4) 2017 PHMSA system inspection/audit for Mariner East 1, which reviewed, among other things, operating and maintenance procedures, records of maintenance activities, field inspection of pipelines and related facilities, leak detection procedures, the integrity management program, and the public awareness and emergency response programs; and (5) 2017/2018 Joint PHMSA and

Commission Inspection of Mariner East 1, which included review of operational procedures, corrosion protection, the cathodic protection plan, integrity management, pipeline repair procedures, internal line inspection tools, emergency preparedness and response, personnel training, emergency response training, public awareness, liaison with public and emergency officials, maintenance records, high consequence area analysis, spill plume modeling, hydrostatic pressure tests, operations and maintenance repair criteria, program for preventive and mitigative measures, and the quality assurance

program. *Id*.

**B. Sunoco’s July 3 Submittal: Letter, Affidavit and Exhibits 1-2**

On July 3, 2018, Sunoco filed a Letter and the Affidavit of Matthew Gordon, Senior Director for the MEt2 and ME2X Pipeline project, in response to Ordering Paragraph No. 7 of the *June 15 Order*. The Letter accompanying the Affidavit of Mr. Gordon advises, in pertinent part, that the Affidavit:

. . . identifies those portions of ME2 in West Whiteland Township for which the Pennsylvania Department of Environmental Protection (“PADEP”) has already issued the appropriate permission for continued construction. Mr. Gordon’s affidavit also identifies the only four locations within West Whiteland Township for which SPLP has not yet received the appropriate permission from PADEP to

commence or recommence construction, and summarizes the steps to be taken by SPLP to obtain permission from PADEP at these four locations.

July 3 Submittal, Letter at 1; (emphasis supplied).

In its Letter, Sunoco requests authority to resume construction of ME2 and ME2X at those locations where it can verify that it has received DEP authorization, with the opportunity to “supplement” its “Compliance” filing in order to satisfy Ordering Paragraph No. 7, for locations for which it does not currently have authority. Sunoco’s position is explained as follows:

For these reasons and based on the documentation submitted by SPLP on June 22,2018, SPLP respectfully requests that the Commission conclude that SPLP has submitted the documentation necessary to satisfy the requirements of paragraph 6 of the Order so that the construction of ME2 in West Whiteland Township may be resumed at the locations where SPLP has verified that PADEP has already issued the appropriate permissions. SPLP will supplement its submission in response to paragraph 7 of the Order when it

receives PADEP approvals for the remaining four sections of ME2 to be constructed in West Whiteland Township.

July 3 Submittal, Letter at 3.

Exhibit 2 attached to the Affidavit of Mr. Gordon identifies the locations within West Whiteland Township for which Sunoco has not yet received the appropriate permission from DEP to commence or *recommence* construction. *See ⁋* 4; (emphasis supplied). The Exhibit summarizes the steps to be taken by Sunoco to obtain appropriate permission from DEP at these four locations. *Id*.

The four locations identified in Exhibit 2 for which DEP authorization was not provided are summarized below:

**1. Devon Drive/Shoen Road/Biddle Drive (S3-0360; PA-CH-0199.0000-RD)**

The obligations with which Sunoco must comply to receive DEP authorization for resumption and/or commencing of drilling activity at this location include: a) DEP receives proof that Sunoco has completed the 24 hour and 72 hour notification requirements set forth in the Consent Order and Agreement (COA) and the Corrected Stipulated Order; b) Sunoco provides its construction schedule and DEP issues written authorization for Sunoco to commence drilling activities pursuant to the terms of the COA; c) the second Horizontal Directional Drilling (HDD) at this location requires Sunoco to complete a satisfactory “Reevaluation Report,” which Sunoco has not yet submitted and which must be approved by DEP prior to Sunoco commencing construction at this location;

 **2. North Pottstown Pike (S3-0370; PA-CH-0212.0000-RD**)

Sunoco states, “[b]oth the HDDs at this location are being converted to a series of open cut and conventional bores.” Sunoco advises that this location is subject to a pending major Chapter 102 permit modification application, as well as a modification to the Chapter 105 Permit, both of which must be approved by the DEP before Sunoco may commence construction at this location.[[9]](#footnote-10)

 **3.** **Swedesford Road (SB-0381; PA-CH-0219.0000-RD)**

Both the HDDs at this location are being converted to a series of open cut, conventional bores, and one FlexBor. This location is subject to a pending major Chapter 102 permit modification application with DEP, as well as a modification to the Chapter 105 Permit, both of which must be approved by the DEP before commencing construction at this location.

We note that DEP provided notice of the request for a permit modification for the Chapter 102, Erosion and Sediment Control Permit for ME2. *See* 48 Pa. B. 885. The notice provided for written comments by March 12, 2018.

 **4.** **Exton Bypass/Lisa Drive (S3-0400; PA-CH-0256.0000-RR)**

Sunoco advises that the first pipeline for this site has been completed. However, DEP awaits information on ongoing site activities, the results of geophysical investigations, and a chronology of site activities from March 3, 2018 to the present, that Sunoco has committed to provide and share with the DEP but has not yet provided.

A Department hydrogeologist reviewed geophysical information from the site on June 25, 2018. The second pipeline at this location cannot proceed until: (1) Sunoco provides a satisfactory Reevaluation Report, which it has not yet submitted, and the submission is approved by DEP; and (2) Sunoco submits an application for a major Chapter 102 permit modification, as well as a modification to the Chapter 105 Permit. Neither of these documents have been submitted to DEP and these permit modification requests must be approved by DEP prior to Sunoco re-commencing construction at this location.

**C. Responses to Sunoco’s June 22 Submittal**

 **1. Senator Dinniman Response**

In the Introduction to his Response, Senator Dinniman observes that Sunoco has not complied with Ordering Paragraph No. 7 of the *June 15 Order* in that it has not provided a verification or affidavit advising that the DEP has issued the appropriate permissions for continued construction of the ME2 and ME2X Pipeline projects. Senator Dinniman states that Sunoco has not yet applied for certain DEP permits required to construct ME2 and ME2X, nor has Sunoco obtained the necessary approvals from the Delaware River Basin Commission to construct ME2 and ME2X as proposed. July 2 Response Letter of Senator Dinniman at 1-5.

With regard to Ordering Paragraph No. 6 of the Order, Senator Dinniman criticizes the June 22 Filing as insufficient as a basis for this Commission to conclude that construction can safely restart with ME2 and ME2X. He argues, in pertinent part, that the vast majority of the material submitted by Sunoco are generic, SOPs which were previously made a part of the record and which were before this Commission at the time of the *June 15 Order*. These documents, argue Senator Dinniman, do not demonstrate how Sunoco will apply the generic policies to the unique “carbonate geology” and populations along the route of ME2and 2X in West Whiteland Township, or how Sunoco will assure that its employees and contractors will comply with such requirements. *See* July 2 Response Letter of Senator Dinniman at 2.

Pages 6 through 10 of the Senator Dinniman’s Response elaborate on his observations that Sunoco must be required to submit protocols specifically tailored to the ME2 and ME2X project and that demonstrate how it will assure that its employees will be meaningfully trained to assure that its various policies and procedures are complied with.

Senator Dinniman also responded to Sunoco’s outreach efforts, such as its emergency response plan and its safety training curriculum. Upon examination of Sunoco’s outreach activities and materials, Senator Dinniman contends that it is entirely inadequate. *See* July 2 Response Letter of Senator Dinniman at 10. Senator Dinniman highlights these alleged inadequacies on pages 10 through 14 of his Response. These alleged inadequacies are as follows:

1) Sunoco’s informational brochure mailings every two years to the public contain no explanation or specifics on how to respond to an emergency and fail to identify the high risk of subsidences in and around West Whiteland Township;

2) Sunoco’s lack of responsiveness to the needs of local school districts, concerning the need for a comprehensive risk assessment required to establish adequate protocols for emergencies related to ME1, ME2, and ME2X.

3) Sunoco’s inadequate outreach and training to emergency responders and public officials, referencing letters from Chester County Commissioners, as well as the West Whiteland Township Board of Supervisors.

*See* July 2 Response Letter of Senator Dinniman at 10-14.

 **2. CAC Response**

Pursuant to Ordering Paragraph No. 8 of the *June 15 Order*, CAC filed a Response to the June 22 Filing (July 2 Response Letter of CAC). Significantly, CAC notes:

**2**

A week later, Sunoco supplied a pile of standard operating procedures and other generalized documents, many of which the Commission already had because Sunoco introduced the same documents at the emergency hearing that preceded the June 15th Order. Wholly absent from the submission is an explanation of why, if these protocols have been in place and are adequately protective, Sunoco has caused a drove of safety incidents. That is the core of what the Commission must consider if it is true that “[t]he primary concern of this Commission is the safety of the public as well

as the safety of the utility workers.” Also absent from the submission was any DEP authorization of construction restart.

July 2 Response Letter of CAC at 2; (emphasis added).

CAC argues that: (1) the *June 15 Order* cannot be satisfied by providing the Commission with new copies of documents already provided in the record; (2) Sunoco’s SOPs fail to protect the public; (3) Sunoco has failed to prove its policies and procedures will ensure safe construction; and (4) Sunoco’s communication of emergency response plans is inadequate.

**D. Disposition**

 **1. Sunoco Objections to the Scope of Responses**

Sunoco objects to the Responses of Senator Dinniman and CAC referencing Sunoco’s compliance with DEP requirements in the West Whiteland Township area, as beyond the scope of our compliance review. On consideration of the objections of Sunoco concerning the scope of the Responses of Senator Dinniman and CAC, we find that the objections do not rise to a level sufficient for this Commission to decline to consider the responses.

Our scope of review in compliance proceedings, such as the present case, is narrow. *See* 66 Pa. C.S. § 1505. We are focused upon review of documentary submittals and affidavits tendered by Sunoco for the express, and remedial, opportunity for Sunoco to establish a record with documents which, on their face, are sufficient to support a decision to alter the *status quo* and lift the injunction regarding construction ME2 and ME2X.

However, notwithstanding the narrow nature of this compliance proceeding, we do find that the Parties’ references to matters pertaining to regulatory approval of other administrative bodies concerning the Mariner East Pipeline project is improper under the circumstances. As noted in the *June 15 Order*, the Commission is statutorily required to “cooperate” with other departments and is further, expressly authorized to:

. . . certify to the Department of Environmental Resources any question of fact regarding the purity of water supplied to the public by any public utility over which it has jurisdiction, when any such question arises in any controversy or other proceeding before it, and upon the determination of such question by the department incorporate the department’s findings in its decision.

66 Pa. C.S. § 318(b).

For example, Sunoco itself has made reference to a “satisfactory Reevaluation Report,” which must be approved by DEP prior to Sunoco commencing construction of ME2 or ME2X at certain locations. The reference to such report is a reference to obligations that are part of a settlement between Sunoco and certain other parties, including CAC, in proceedings before the EHB. *See* May 10, 2018. N.T. 465-466. As noted by Pennsylvania Courts, environmental regulation and enforcement in Pennsylvania is split between three bodies: (1) DEP, which implements and enforces the laws; (2) the Environmental Quality Board (EQB), which serves as the administrative rulemaking body; and (3) the EHB, which serves as the adjudicator in disputed matters. *Pa. Indep. Oil & Gas Ass’n v. Commonwealth*, 146 A.3d 820 (Pa. Cmwlth. 2016), citing [Tire Jockey Serv., Inc. v. Cmwlth., DEP*,* 591 Pa. 73, 915 A.2d 1165*,* 1185 (Pa. 2007](https://advance.lexis.com/document/?pdmfid=1000516&crid=ff6a08b5-0476-48c9-9246-22bcc25ac434&pddocfullpath=%2Fshared%2Fdocument%2Fcases%2Furn%3AcontentItem%3A5KKS-NC21-F04J-T3HT-00000-00&pddocid=urn%3AcontentItem%3A5KKS-NC21-F04J-T3HT-00000-00&pdcontentcomponentid=9295&pdshepid=urn%3AcontentItem%3A5KJR-DWX1-DXC8-754G-00000-00&pdteaserkey=sr8&pditab=allpods&ecomp=cfgck&earg=sr8&prid=69717008-cb0b-4e5b-b19c-42961e5a45d3)).

Based on the foregoing, the responses of Senator Dinniman and CAC which reference Sunoco’s compliance with DEP requirements in the West Whiteland Township area, concerning the Mariner East Pipeline project are reasonable and within the scope of issues relevant to our compliance review.

 **2. Compliance With *June 15 Order* Paragraph No. 6**

For the reasons set forth below, we conclude that Sunoco’s June 22 Submittal satisfies the requirements set forth in Ordering Paragraph No. 6 of the *June 15* *Order*.

In response to Ordering Paragraph No. 6, Sunoco provided several documents and exhibits in the June 22 Submittal which outlined the DEP’s public notice requirement and Sunoco’s policies regarding SOPs concerning public awareness and public contacts. *See* June 22 Submittal TAB #17.

Senator Dinniman and CAC repeatedly criticize Sunoco’s compliance filing with respect to Ordering Paragraph No. 6, alleging a lack of transparency to the general public of West Whiteland Township as well as to specific public agencies, concerning the risks associated with the Mariner East Pipeline project. July 2 Response Letter of Senator Dinniman at 10-14; July 2 Response Letter of CAC at 6-7. Senator Dinniman and CAC also generally assert that Sunoco has not in fact implemented the policies Sunoco outlined in compliance with Ordering Paragraph No. 6. July 2 Response Letter of Senator Dinniman at 2; July 2 Response Letter of CAC at 2-3.

However, the alleged lack of transparency and whether Sunoco and its employees, agents, and contractors have, in fact, implemented the policies outlined in the June 22 Submittal are beyond the scope of this compliance proceeding. Under the narrow focus of this proceeding, we conclude that Sunoco filings comply with the requirements of Ordering Paragraph No. 6 of the *June 15 Order*.

The documentary materials provided by Sunoco, on their face, indicate communication to the affected public and stakeholders concerning the Mariner East Pipeline projects. Therefore, we conclude Sunoco has established that it has complied with standard notice procedures of DEP and its internal policies and such procedures, as outlined, comply with the requirements of Ordering Paragraph No. 6.[[10]](#footnote-11)

 **3. Compliance With *June 15 Order* Paragraph No. 7**

With respect to Ordering Paragraph No. 7 of the *June 15 Order,* the Commission required Sunoco to “file a verification or affidavit that the Department of Environmental Protection has issued the appropriate permission for continued construction of Mariner East 2 and Mariner East 2X in West Whiteland Township when it is granted.” *June 15 Order* at 53. The intent of our directive in Paragraph No. 7 was to require Sunoco to provide this Commission with an affirmative statement that the DEP concerns which resulted in the determinations of that agency to halt construction on ME2 and ME2X in West Whiteland Township have been resolved. The clear intent of Ordering Paragraph No. 7 was to verify to this Commission that DEP work stoppage directives to Sunoco in West Whiteland Township were lifted and that the Company had express authority to resume or begin construction of ME2 and ME2X.

In response to this requirement, Sunoco, as noted, filed the Affidavit of Matthew Gordon, Senior Director for the ME2 and ME2X pipeline projects. Mr. Gordon’s Affidavit identifies eight segments of the ME2 and ME2X pipelines where Sunoco has obtained the appropriate permission from DEP to continue construction. *Gordon Affidavit* at 3. The Affidavit also acknowledges four locations in West Whiteland Township are at various stages of DEP authorization and/or modification of DEP permit authority. These locations have not yet received final, documented approval from DEP. And, the locations are referenced to the docketed permit authority sought from DEP. *See, e.g.,* Exton Bypass/Lisa Drive discussed at May 10, 2018, N.T. 415-416. Mr. Gordon's Affidavit also expressly states that “DEP has approved construction of all separate and independent construction segments of the pipelines [at the eight locations for which it has received DEP permits], and [Sunoco] is authorized by DEP to perform that construction before receiving DEP’s approval for the other [four] construction segments [for which the company has not yet received DEP permits].” *Gordon Affidavit* at 3.

As a result, Sunoco requests that the Commission authorize the company to resume construction at the eight locations where appropriate DEP permits to begin construction have been received, with the opportunity to “supplement” its compliance filing for the four remaining locations as appropriate.

Based on the statements contained in Mr. Gordon's Affidavit, we conclude that Ordering Paragraph No. 7 of the *June 15 Order* has been satisfied with respect to the eight locations where Sunoco has received DEP permitting authorization to continue construction. Accordingly, our injunction regarding construction on ME2 and ME2X should be lifted in these eight locations expressly identified in the Sunoco filings.

The injunction regarding construction on ME2 and ME2X shall remain in effect with respect to the four locations identified in Sunoco’s July 3 Submittal, Exhibit 2, where Sunoco has not yet received the requisite DEP permits to continue construction activity. Accordingly, Sunoco is directed to file supplemental verifications or affidavits upon the DEP's issuance of the remaining permits, so that this Commission can review the outstanding injunctions as appropriate.

Finally, the disposition of any forthcoming supplemental verifications or affidavits submitted by Sunoco Pipeline, L.P., that the DEP has issued the appropriate permission for continued construction of ME2 and ME2X with respect to the four (4) locations identified in the July 3, 2018 Affidavit of Matthew Gordon, Exhibit 2, shall occur via Secretarial Letter issued to the Parties.

# Conclusion

On consideration of the documents and information provided by Sunoco, specifically its June 22 and July 3 Submittals, as well as its July 18 Supplement, we conclude that construction and construction-related activity can resume or be initiated for the ME2 and ME2X Pipeline projects in West Whiteland Township, Chester County consistent with the terms of this Opinion and Order; **THEREFORE,**

 **IT IS ORDERED:**

 1. That the June 22, 2018 Compliance Filing of Sunoco is approved as in compliance with Ordering Paragraph No. 6 of the Pennsylvania Public Utility Commission’s Opinion and Order entered June 15, 2018, in the above-captioned docketed proceedings.

2. That the July 3, 2018 Affidavit of Matthew Gordon and Exhibits, and the July 18, 2018 Letter, Affidavit and Exhibits submitted in compliance with Ordering Paragraph No. 7 of the June 15, 2018, Opinion and Order in the above-captioned docketed proceedings are approved consistent with this Opinion and Order.

3. That the injunction issued by our *June 15 Order* is discontinued with respect to the eight (8) locations on the ME2 and ME2X pipelines in West Whiteland Township, Pennsylvania, for which Sunoco Pipeline, L.P. has received permitting authority from the Pennsylvania Department of Environmental Protection to continue construction activities.

4. That the injunction issued by our *June 15 Order* shall remain in effect with respect to the four (4) locations identified in the July 3, 2018 Affidavit of Matthew Gordon, Exhibit 2, on the ME2 and ME2X pipelines in West Whiteland Township, Pennsylvania for which Sunoco Pipeline, L.P. has not received permitting authority from the Department of Environmental Protection to continue construction activities.

5. That Sunoco Pipeline, L.P. shall file with the Pennsylvania Public Utility Commission, supplemental verifications or affidavits issued by the Pennsylvania Department of Environmental Protection for the appropriate permissions for continued construction of ME2 and ME2X in West Whiteland Township, Pennsylvania when granted in the remaining four (4) locations identified in the July 3, 2018 Affidavit of Matthew Gordon, Exhibit 2, which await permitting.

6. That disposition of any forthcoming supplemental verifications or affidavits submitted by Sunoco Pipeline, L.P., that the Department of Environmental Protection has issued the appropriate permission for continued construction of ME2 and ME2X with respect to the four (4) locations identified in the July 3, 2018 Affidavit of Matthew Gordon, Exhibit 2, shall occur via Secretarial Letter issued to the Parties.

 **BY THE COMMISSION**



 Rosemary Chiavetta

 Secretary

(SEAL)

ORDER ADOPTED: August 2, 2018

ORDER ENTERED: August 14, 2018

1. A NPDES permit is required for any point source discharge to waters of the Commonwealth. The Clean Water Program in DEP’s regional offices issues the majority of NPDES permits. *See* www.dep.pa.gov/Business/Water. [↑](#footnote-ref-2)
2. Two law firms provided cover letters with the July 3 Submittal and our references will be to the firm of Manko, Gold, Katcher Fox, LLP. [↑](#footnote-ref-3)
3. For ease of reference, we shall refer to the Tab Numbering provided by Sunoco. [↑](#footnote-ref-4)
4. Tab # 36 references Procedure No. “D.29” rather than “HLD.29.” [↑](#footnote-ref-5)
5. Sunoco notes that most states require excavators and private landowners to provide 48 hours prior notification before any kind of digging occurs with power equipment. Pennsylvania, however, requires a 72 hour (3 business day) prior notification period. TAB # 17, at 7.2. [↑](#footnote-ref-6)
6. This is also responsive to Ordering Paragraph No. 6(a)(2) (a); (c). [↑](#footnote-ref-7)
7. TAB # 65 includes a generic pamphlet/document, titled “Important Safety Message *for your neighborhood*,” providing safety information concerning pipelines located near residential communities. [↑](#footnote-ref-8)
8. “HLA” refers to Administration SOPs and is referenced to 49 CFR § 193; 195.50 and 29 CFR § 1910. [↑](#footnote-ref-9)
9. When Sunoco references “Chapter 102” and “Chapter 105”, a reference to 25 Pa. Code § 102 and 25 Pa. Code § 105.1-105.64 is noted. The titles address Erosion and Sediment Control Permits and Water Obstruction and Encroachment Permits, respectively. [↑](#footnote-ref-10)
10. Sunoco’s ongoing implementation of the outlined policies and notice requirements provided in compliance with Ordering Paragraph No. 6, is a separate and ongoing compliance matter which may be raised as relevant and addressed in either the ongoing proceeding below before ALJ Barnes, or by separate compliance action initiated by our Bureau of Investigation and Enforcement. [↑](#footnote-ref-11)